

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF HARRISON COUNTY RURAL)	
ELECTRIC COOPERATIVE CORPORATION TO)	CASE NO. 92-226
ADJUST ELECTRIC RATES)	

O R D E R

On August 27, 1992, Harrison County Rural Electric Cooperative Corporation ("Harrison County RECC") applied to the Commission for authority to adjust its basic rates to produce additional annual revenues in the sum of \$672,247.

Harrison County RECC is a consumer-owned rural electric cooperative organized pursuant to KRS Chapter 279 and engaged in the distribution and sale of electric energy to approximately 9,997 customers in Harrison, Bourbon, Pendleton, Bracken, Scott, Nicholas, Grant, and Robertson counties in central Kentucky.

No requests for formal intervention in this matter were received. A hearing was scheduled for January 7, 1993. Prior to that hearing, Commission Staff and Harrison County RECC entered into settlement negotiations.

As a result of these negotiations, a settlement agreement was reached and submitted to the Commission for its approval. Under the terms of that Agreement, Harrison County RECC will be granted a revenue increase of \$598,120 or 5.87 percent over normalized total operating revenue. After careful review of the Agreement, the Commission finds that the Agreement's terms are reasonable and

that its rate design and terms of service provisions are in conformity with generally accepted rate-making standards. The Commission further finds that the Agreement is in the public interest and should be accepted.

IT IS THEREFORE ORDERED that:

1. The Settlement Agreement, appended hereto as Appendix A, is incorporated into this Order as if fully set forth herein.

2. The terms and conditions set forth in the Settlement Agreement are adopted and approved.

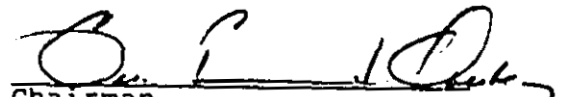
3. The rates set forth in Appendix B to this Order are approved for service rendered on and after the date of this Order.

4. Harrison County RECC shall, within 30 days of the date of this Order, file new tariffs reflecting the provisions of this Order.

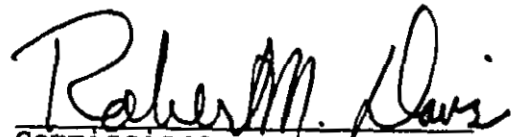
5. The approval of the Settlement Agreement shall be for purposes of this proceeding only and shall not be deemed to be binding upon the signatories in any other Commission proceeding nor shall it be offered or relied upon in any other Commission proceeding.

Done at Frankfort, Kentucky, this 19th day of January, 1993.

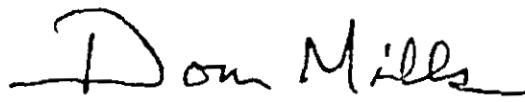
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 92-226 DATED January 19, 1993

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF HARRISON COUNTY RURAL)
ELECTRIC COOPERATIVE CORPORATION TO) CASE NO. 92-226
ADJUST ELECTRIC RATES)

SETTLEMENT AGREEMENT

THIS AGREEMENT is made and entered this 7th day of ~~December~~ ^{January},
199~~2~~³, by and between the STAFF OF THE PUBLIC SERVICE COMMISSION OF
KENTUCKY ("Commission Staff") and HARRISON COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION, INC. ("Harrison County RECC").

W I T N E S S E T H :

THAT, WHEREAS, on August 17, 1992, Harrison County RECC
applied to the Public Service Commission for authority to adjust
its basic rates to produce additional annual revenues in the sum of
\$672,247; and

WHEREAS, no persons have sought or been granted intervention
in this proceeding; and

WHEREAS, Harrison County RECC and Commission Staff have
discussed Harrison County RECC's application and reached agreement
on all outstanding issues raised by it.

NOW, THEREFORE, be it resolved that:

1. Harrison County RECC shall be authorized to adjust its
rates to produce additional operating revenues of \$598,120
annually, or total operating revenues of \$10,770,448, upon written
acceptance of this Settlement Agreement by the Public Service

Commission. The rates set forth in the Appendix to this Settlement Agreement will produce this level of revenue.

2. Harrison County RECC's revenue requirements as determined in this Settlement Agreement are based on a 2.0 TIER.

3. This Settlement Agreement is subject to the approval and acceptance of the Public Service Commission.

4. If the Public Service Commission fails to accept and approve the Settlement Agreement in its entirety, this proceeding shall go forward and neither the terms of this Settlement Agreement nor any matters raised during settlement negotiations shall be binding on either signatory.

5. If the Public Service Commission accepts and adopts this Settlement Agreement in its entirety and enters an Order in this proceeding to that effect, Harrison County RECC shall not apply for rehearing in this proceeding nor bring an action for review of that Order.

6. This Settlement Agreement is submitted for purposes of this case only and is not binding upon the signatories in any other Commission proceeding nor is it to be offered or relied upon in any other Commission proceeding involving the signatories.

7. This Settlement Agreement is lawful, reasonable and in the best interest of all concerned, will result in fair, just, and reasonable rates, and should be adopted by the Commission in its entirety.

AGREED TO BY:

HARRISON COUNTY RECC

By: Wilson Palmer

12-30-92
Date

Title: President

COMMISSION STAFF

By: Donald F. Walker

7 January 1993
Date

Title: Staff Attorney

APPENDIX

AGREED RATE SCHEDULE FOR HARRISON COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION

The parties agree that the following rates and charges should be assessed to customers of Harrison County RECC for electric service. All rates which are currently charged by Harrison County RECC and not specifically set forth herein should remain unchanged.

SCHEDULE A - RATE 1 FARM AND HOME SERVICE

Rates:

Consumer Charge	\$ 8.86	Per Month
All KWH Used	\$.06626	Per KWH

RATE 1 (ETS) FARM AND HOME SERVICE OFF-PEAK RETAIL MARKETING RATE

Rates:

All KWH Used	\$.03976	Per KWH
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RATE 2 COMMERCIAL AND SMALL POWER SERVICE (0 - 50 KW DEMAND)

Rates:

Consumer Charge	\$23.87	Per Month
All KWH Used	\$.06594	Per KWH

LPR-1, RATE 8 LARGE POWER SERVICE OVER 500 KW DEMAND

Rates:

Consumer Charge	\$40.16	Per Month
All KWH Used	\$.03882	Per KWH
All KW Demand	\$ 7.82	Per KW

SECURITY LIGHTS
OUTDOOR LIGHTING SERVICE

Rate Per Fixture:

<u>Type of Fixture</u>	<u>Lamp Size</u>	<u>Monthly Charge</u>	
Mercury Vapor	175 Watts (73 KWH/lamp)	\$ 8.65	Per Month
Mercury Vapor	400 Watts (154 KWH/lamp)	\$13.72	Per Month
Lights Requiring Separate Transformer		\$ 1.00	Per Month

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 92-226 DATED January 19, 1993

The following rates and charges are prescribed for the customers in the area served by Harrison County Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

SCHEDULE A - RATE 1 FARM AND HOME SERVICE

Rates:

Consumer Charge	\$ 8.86	Per Month
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RATE 1 (ETS) FARM AND HOME SERVICE OFF-PEAK RETAIL MARKETING RATE

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